



LAWN AND TURF REMOVAL AND REPLACEMENT REBATE PROGRAM

Terms and Conditions

The Lawn and Turf Removal and Replacement Rebate Program provides rebates to City of Tracy Utility (water) customers as an incentive to convert water-thirsty lawns to water-efficient landscapes. Funding is limited and applications will be accepted on a first-come, first-served basis. City of Tracy reserves the right to terminate this program at any time, for any reason.

The following terms and conditions apply to the Lawn and Turf Removal and Replacement Rebate Program. Please read carefully PRIOR to submission of your application.

Pre-Conversion Eligibility

- A. This program is NOT retroactive. Projects underway or completed prior to receiving a City of Tracy Notice to Proceed are not eligible.
- B. This Lawn and Turf Removal and Replacement Rebate Program is available to single family, multi-family, commercial and institutional customers who receive their water, for their home and landscape, through a metered City connection. The applicant's water account must be in good standing six (6) months prior to the project, during the project, and five (5) years after completion of the project, in order to receive and maintain the rebated amount. If applicant fails to keep their account in good standing, at the City of Tracy's sole discretion, it may charge the water account of the applicant for all or part of the final rebated amount.
- C. Lawn areas proposed to be converted must be currently maintained. *Brown lawns* due to drought-related watering reductions will also be accepted. However, dirt areas that show no signs of the presence of a lawn, are not eligible.
- D. Lawn areas to be converted must be in front yards or publicly accessible areas visible to the general public. No backyards or area that not visible to the public are eligible. One of the goals of the Program is to provide visible examples of water-efficient landscapes to the community.
- E. A minimum of 500 square feet of lawn must be converted. Smaller projects will be considered if 100% of the lawn at the property is being replaced with drought resistant landscape or xeriscaping.
- F. The Rebate Application must be submitted to the City of Tracy and the site must be inspected by a City employee prior to the removal of any lawn or sprinklers. Conversions that are initiated prior to the City's approval are ineligible.

Landscaping requirements for Converted Areas

- A. **Fifty Percent (50%) Plant Cover:** The converted area must include enough plants to ensure at least fifty percent (50%) of the converted area is covered with plants when the

plants are fully grown. Tree canopy and plants outside the converted area are not considered in the calculation, even if they are adjacent to or overhanging the converted area. To determine mature plant size, consult the Sunset Western Garden Book ([Plant Collection | Sunset Western Garden Collection](#)) or Water Use Classification of Landscape Species IV (WUCOLS) ([Home Page - Water Use Classification of Landscape Species \(WUCOLS IV\) \(ucanr.edu\)](#)).

- B. Plants:** Plants must be very low, and low water use as well as adaptable to the local climate. Plants must be listed for Tracy on the Water Use Classification of Landscape Species (WUCOLS IV) plant list. Plants not found on this list will be reviewed on a case-by-case basis. All landscape projects must comply with the 2015 Water Efficiency Landscape Ordinance which may be found here: [Model Water Efficient Landscape Ordinance](#).
- C. Hardscape:** Hardscape such as concrete, pavers, cement and other non-permeable materials may only equal less than twenty (20%) percent of the total project. NOTE: the fifty percent (50%) plant covering requirement still applies to the entire area, therefore, more plants may be needed in the remaining areas.
- D. Artificial Turf and Synthetic Grass:** Artificial turfs and grasses are not eligible for this rebate program. If artificial turfs and grasses are used, the area that is covered will be removed from any calculation for rebate amount. Also, the fifty percent (50%) plant cover requirement still applies to the entire area. More plants may be needed in the remaining area.
- E. Mulch:** All planting areas must have a minimum of three (3) inches of mulch. Note: if a weed barrier is used below the mulch, it must be permeable to air and water.
- F. Efficient Irrigation:** The existing lawn sprinkler heads in the converted area must be removed. Any lawn areas remaining outside the converted area must be irrigated separately from the new landscape. Participants shall comply with the 2015 Water Efficient Landscape Ordinance (WELO) in choosing to install a new efficient irrigation system. All new irrigation shall either be drip, microspray or bubbler applications.
 - a. **Zero Runoff.** Any and all irrigation must remain onsite. All new irrigation systems must be installed so that no water leaves the area in which it was intended and never leaves the property where it is installed.

Terms of the Rebate Program

- A. Term:** Conversions must be completed within six (6) months following receipt of the [Notice to Proceed](#) from the City of Tracy. To ensure estimated water savings are achieved, the converted area must remain in compliance with the program terms and conditions for a period of no less than five (5) years following issuance of the rebate. At the City of Tracy's discretion, non-compliance may result in a charge to the applicant for all or part of the area under violation.
- B. Rebate Amounts:** The rebate is seventy – five cents (\$0.75) to one dollar (\$1.00) per square foot of lawn or turf converted, depending on requirements completed. The maximum rebate is \$1,500 for single-family residential sites, and \$4,500 for multi-family, commercial and institutional sites (see rebate table below). Rebates will be issued to the water customer or to that customer's legally appointed representative.

The following table illustrates a range of potential rebates:

Area Lawn/Turf Removed (SF)	Eligible Rebate Amount (\$)
500	\$375 to \$500
750	\$562.50 to \$750
1,000	\$750 to \$1,000
1,500	\$1,125 to 1,500*
4,500	\$3,375 to 4,500**
8,000	\$4,500

*Maximum rebate per single family residential site

**Maximum rebate per multifamily, commercial and institutional site

Tax Implications: The State of California has made it clear that water conservation rebates are not taxable. However, current federal IRS tax rules are not as clear. The IRS has, however, made it clear that the City of Tracy is required to issue a 1099 form to individuals and companies that receive \$600 or more in rebates in a calendar year. Therefore, the City of Tracy now requires program participants that are approved to receive \$600 or more in rebates in a calendar year to complete an IRS W-9 form and submit it to the City of Tracy Finance Department prior to receiving their rebate. Then in January of each year the City of Tracy will issue 1099 forms to those customers that received \$600 or more in rebates in the prior year. NOTE: water agencies, state officials and members of Congress continue to work with federal tax officials to request that they treat water conservation rebates the same as they do the tax-free energy efficiency rebates.

Additional Responsibilities of the Applicant: The City of Tracy Utilities Department only enforces the Terms and Conditions of this rebate program. It is the applicant's sole responsibility to ensure that the project follows any and all laws, regulations, policies, conditions, covenants, and restrictions that may apply to the conversion project, and for all liabilities arising from a conversion project. Further, the applicant must comply with all local permitting requirements, and with all state and local laws relating to landscape maintenance. The applicant should consult with the City of Tracy Development Services Department to determine if there are any permits or other documents that must be submitted outside this application in order to be in full compliance.

Applying for the Lawn and Turf Removal and Replacement Rebate Program:

Current City of Tracy Utility Customers in good standing who are interested in participating should visit our website at [Water Conservation and Efficiency Rebates and Incentives | City of Tracy, CA](#) to learn more about the program and submit an application. Please read these Terms and Conditions and the Frequently Asked Question before submitting your application. *DO NOT START WORKING ON THE PROJECT UNTIL YOU HAVE RECEIVED YOUR NOTICE TO PROCEED EMAIL FROM THE CITY.*

Application Review: Once received, the City will review the application and photos submitted to determine if the site is eligible for the rebate and will calculate the square footage of the front lawn area(s).

Pre-Project Inspection: As part of the review process, the City may conduct a pre-project inspection of the submitted application site. During the inspection, a City of Tracy technician may take photos of the project site, take measurements of the existing project area, and inspect the current irrigation controller and sprinkler system.

Eligibility: If the site and project are determined to be eligible, the applicant will receive an email from the City of Tracy with a Notice to Proceed letter. Only then should the applicant/customer begin the removal of the lawn or turf and begin the installation of the new drought tolerant or xeriscape landscape according to the Program Terms and Conditions.

Finished Project Review: It is the customer's responsibility to notify the City when the project is complete and ready for a Finished Project Review. When finished with the conversion, the customer should respond to the email received from the City with their Notice to Proceed and request a review of the finished project. The customer will need to be able answer any questions that the inspector may have and be able to provide photos of the project during installation and upon completion of the new landscape. During a Post-Project inspection, a City technician will verify if the project is in compliance with the Program Terms and Conditions.

Finished Project Denial: If the conversion fails the Finished Project Review, the customer will have an additional sixty (60) days, or the remainder of the six (6) month period, whichever is greater, to bring the project into compliance. Once the project has been brought into compliance, the customer will need to schedule another Finished Project Review by email or phone.

Finished Project Approval: During the Post-Project inspection, a technician may need to take photos and measurements of the finished project in order to determine the final rebate amount. Once the final amount is determined, a rebate check will be mailed to the applicant within three (3) to six (6) weeks.

Tax Implication Requirements: If the rebated amount is determined to be over \$600, the applicant/customer must provide the City with a IRS W-9 form prior to issuance of the rebate check. This form should be hand-delivered or emailed to the City of Tracy Utilities Department at 3900 Holly Drive, Tracy, CA 95304 or to waterresources@cityoftracy.org. Please include your project site address in the subject area.